

Average Asset Allocations for Fiscal Years

2014, 2015 and 2016

<i>numbers in percent (%)</i>	Total Institutions			Over \$1 Billion			\$501 Million-\$1 Billion			\$101-\$500 Million			\$51-\$100 Million			\$25-\$50 Million			Under \$25 Million		
	832	812	805	91	94	91	77	77	75	262	261	264	168	167	163	125	117	121	109	96	91
	'14	'15	'16	'14	'15	'16	'14	'15	'16	'14	'15	'16	'14	'15	'16	'14	'15	'16	'14	'15	'16
U.S. equities	17	16	16	13	13	13	20	21	20	27	27	26	31	33	33	38	40	38	43	42	44
Fixed income	9	9	8	8	7	7	10	9	9	14	13	13	18	17	17	19	20	20	26	24	24
Non-U.S. equities	19	19	19	18	19	19	20	20	18	21	21	20	21	20	19	18	18	17	14	15	15
Alternative strategies	51	52	53	57	57	58	44	44	45	33	34	35	24	25	24	18	16	17	10	11	10
Short-term securities/cash/other	4	4	4	4	4	3	6	6	8	5	5	6	6	5	7	7	6	8	7	8	7

* dollar-weighted

- In general, larger institutions continued to have smaller allocation to liquid traditional asset classes such as U.S. equities and fixed income, but larger allocations to less-liquid alternative strategies.

Alabama Trust Fund Asset Allocation (as of 6/30/16):

U.S. Equities	30.65%
Fixed Income	34.66%
International Equities	25.51%
Alternative Strategies	9.18%
Short-term securities/cash/other	0%

- When compared to the NACUBO average asset allocation of endowments with over \$1 billion in assets, the Alabama Trust Fund has a higher weight to equities and fixed income and a lower weight to alternative strategies.

Source: 2017 NACUBO Study of Endowments

Average Fiscal Year Returns

2015, and 2016

<i>numbers in percent (%)</i>	Total Institutions		Over \$1 Billion		\$501 Million-\$1 Billion		\$101-\$500 Million		\$51-\$100 Million		\$25-\$50 Million		Under \$25 Million	
	812	805	94	91	77	75	261	264	167	163	117	121	96	91
	'15	'16	'15	'16	'15	'16	'15	'16	'15	'16	'15	'16	'15	'16
Annual total net return	2.4	-1.9	4.3	-1.9	2.8	-2.2	2.0	-2.4	2.0	-1.8	1.9	-1.6	2.3	-1.0
3-year net return	9.9	5.2	10.8	6.0	10.2	5.4	9.7	4.9	9.4	5.1	9.9	5.2	9.9	5.5
5-year net return	9.8	5.4	10.4	6.1	9.9	5.7	9.5	5.1	9.4	5.0	9.8	5.3	10.6	5.8
10-year net return	6.3	5.0	7.2	5.7	6.7	5.3	6.2	4.8	5.9	4.7	5.6	4.7	6.0	5.0

*net of fees

Alabama Trust Fund Cumulative Returns (as of 6/30/16):

	ATF	NACUBO Average Asset Allocation Over \$1 Billion (FY 2016)
Annual total net return	1.55%	-1.9%
3-year net return	6.52%	6.0%
5-year net return	6.21%	6.1%
10-year net return	6.20%	5.7%

- The Alabama Trust Fund has outperformed the NACUBO average cumulative net return of endowments with over \$1 billion in assets, over the last 1-, 3-, 5-, and 10-year periods.

Source: 2017 NACUBO Study of Endowments